

**TRUENORTH**  
**TRANSPORTATION**  
**RISK**  
**SUMMIT**  
**AUGUST 17-18**  
**CEDAR RAPIDS, IOWA**

WHAT IF?

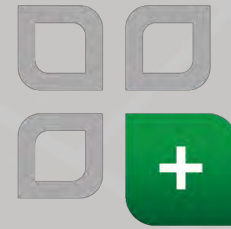


WHAT IF YOU COULD  
SAVE OVER \$150,000  
PER 100 EE LIVES?



INTRODUCING

costplus





# Hospital Mark-Up 300 – 2,000%

Hard To Believe?



**TRUENORTH**  
TRANSPORTATION  
RISK SUMMIT  
CEDAR RAPIDS, IA  
AUG 17 • 18, 2016



**Time... follows the money... right down to the 10,000% markup on acetaminophen**





## Hospital Mark-ups

Consider the “markup” in facility bills, with only one example...  
This is a “CT scan without contrast” at a major system hospital:

- Billed: \$3,037      Approximately 14.5 times Medicare
- Cost: \$187
- National Average: \$1,674      National Average Charge for CT scan





## Hospital Profits

Chances are you have been strategically battling to reduce your escalating healthcare costs, however, the hospitals in Texas have reported profits (DFW, Houston, San Antonio, Austin).

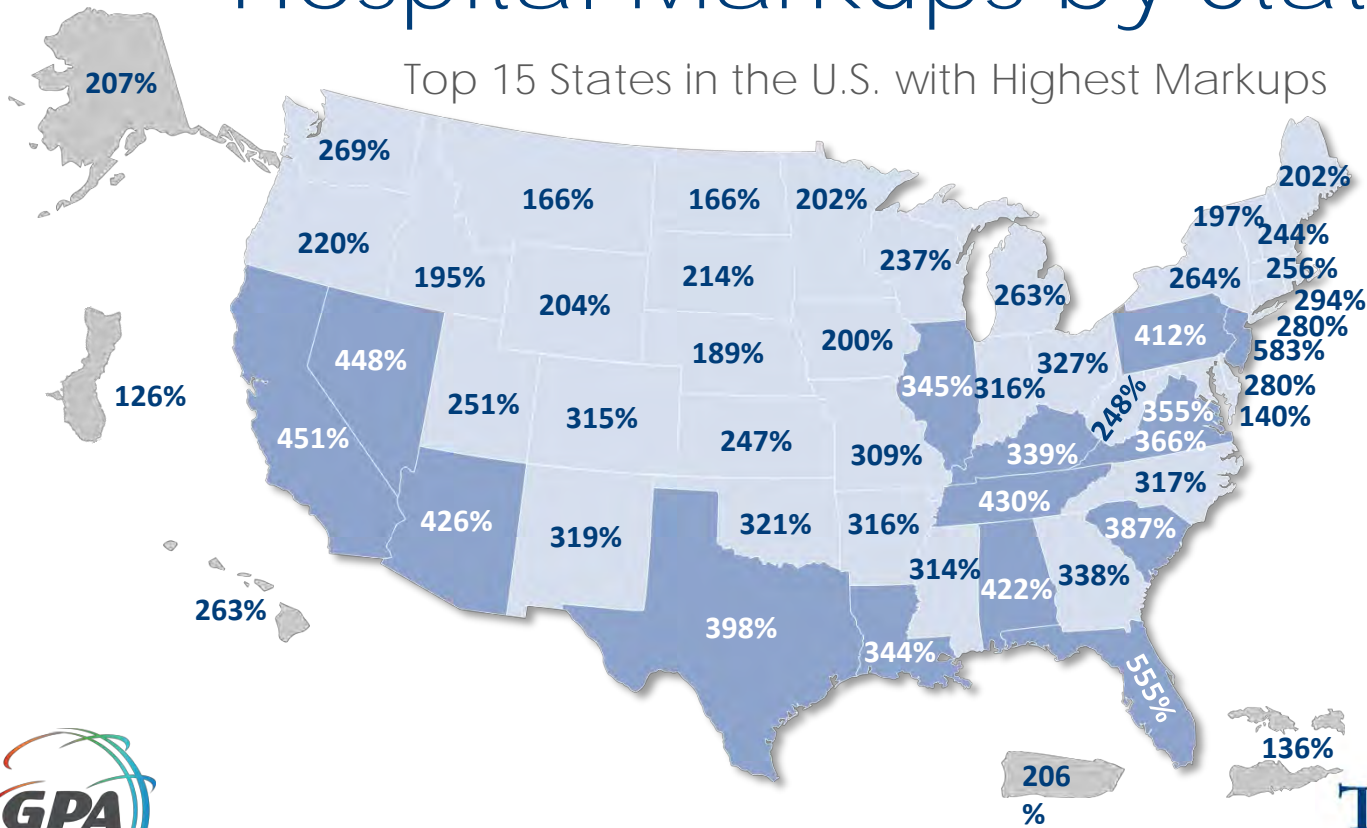
	14-15	\$2,914,294,676	
	13-14	\$2,719,994,016	
	12-13	\$2,665,279,310	
	11-12	\$1,958,734,327	
	10-11	\$1,568,929,425	64 with
Profit			
	09-10	\$2,477,843,773	19 with
Loss			
	08-09	\$2,330,385,659	
	07-08	\$1,981,836,333	
	Aggregate 6 year total:	\$18,617,297,519	





# Hospital Markups by State

Top 15 States in the U.S. with Highest Markups







## Hospital Mark-ups

	Average	CT Scans		Average	CT Scans
Hospital A	320%	2,696%	Hospital H	745%	10,429%
Hospital B	372%	2,074%	Hospital I	603%	5,878%
Hospital C	770%	4,230%	Hospital J	328%	2,314%
Hospital D	772%	9,163%	Hospital K	455%	1,864%
Hospital E	1,564%	3,333%	Hospital L	698%	9,522%
Hospital F	578%	2,277%	Hospital M	820%	3,529%
Hospital G	540%	1,428%			

- Dallas
- Austin
- San Antonio
- Houston

No discount can offset these inflated markups  
 Source: American Hospital Directory





# Summary Billing

Transparency?  
Reasonable Charges?  
Accuracy?

There are “Limited Audit” Provisions in PPO Contracts!



# MARKETPLACE



42 REV CD	43 DESCRIPTION	44 HCPCS/RATE/HIPPS CODE	45 SERV DATE	46 SERV UNITS	47 TOTAL CHARGES	48 NON COVERED CHARGES	49
110	Room-Board/PVT			2	7000.00		
250	Pharmacy			42	2677.45		
272	Sterile Supply			27	2489.86		
272	Catheter, Drainage, and Biliary	C1729		1	132.48		
278	Anchor/Screw for Opposing B	C1713		16	97115.04		
301	Basic Metabolic Panel	80048		1	100.00		
305	Complete CBC w/Auto Diff WB	85025		1	92.00		
305	Hematocrit	85014		1	28.00		
305	Hemoglobin	85018		1	28.00		
320	Fluoroscope Exam, Extensive	76001		1	2200.00		
360	OR Services			22	82000.00		
370	Anesthesia			22	27000.00		
421	Gait Training Therapy	97116:GP		3	282.00		
421	Therapeutic Activities	97530:GP		1	112.00		
424	PT Evaluation	97001:GP		1	269.00		
460	Breathing Capacity Test	94010		9	1980.00		
460	Evaluate PT Use of Inhaler	94664		3	321.00		
460	Measure Blood Oxygen Level	94760		3	170.25		
710	Recovery Room			3	4000.00		
001	Total Charges				227997.08		
50 PAYER NAME		51 HEALTH PLAN ID	52 MI INFO	53	54 PRIOR PAYMENTS	55 EST AMOUNT DUE	56 NPI
							57 OTHER PRV ID
58 INSURED'S NAME		59 PREJ	60 INSURED'S UNIQUE ID		61 GROUP NAME	62 INSURANCE GROUP NO	







## Letter from PPO Network to Employer:

“

*Your vendor's U&C Reductions have caused considerable strain on the PPO relationship with the provider... The network respectfully demands that (the employer) immediately:*

”

- Discontinue auditing/reducing network provider bills based on U&C reductions; and
- Reimburse provider in accordance with the agreement...

Who is the PPO's client???





# Shouldn't a Corporation

Purchase medical services in the  
same transparent manner  
it buys raw materials,  
supplies and services?





## What if...

Instead of subjective discounts off of billed charges, your plan paid provider cost + a reasonable margin?



SOLUTIONS



# costplus

A partnership with GPA, a leading TPA + ELAP,  
the leader in fiduciary protection







## GPA is founding ELAP TPA (2007)

As of June 2016, there are 330 GPA Cost Plus clients,  
Including GPA's own health plan, with an average

Savings of 31%

from their previous PPO plans



# SOLUTIONS



## GPA Cost Plus® Steps

### STEP

#### Physician Only Services

Access PPO for professional services. Abandon network of medical facilities.





## GPA Cost Plus® Steps

STEP

STEP

Physician  
Only Services

Modify Plan  
Document

Access PPO for professional services. Abandon network of medical facilities.

Install Smart Plan language for GPA Cost Plus® reimbursement methodologies.

ELAP is named as co-fiduciary.





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STEP

Protect the  
Plan Member

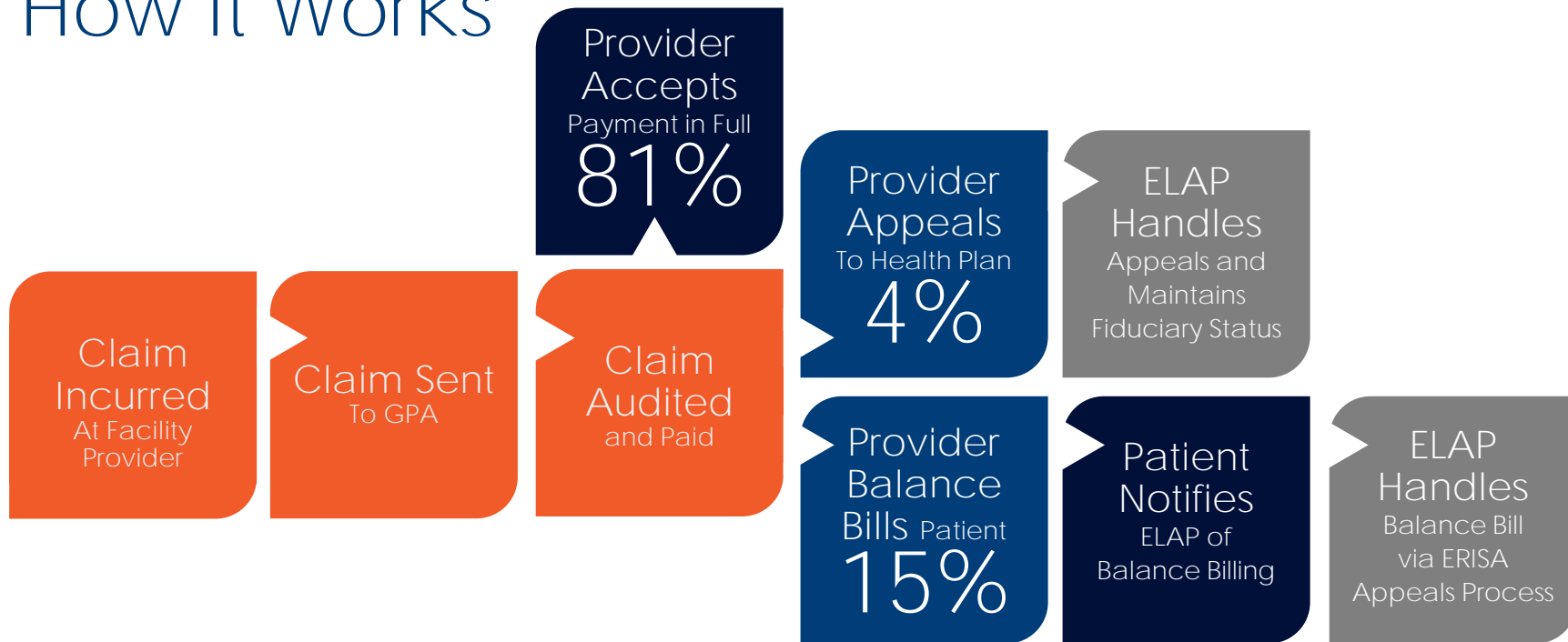
Protect member with expert attorneys from balance billing from providers or collection agencies at no additional costs.



# SOLUTIONS



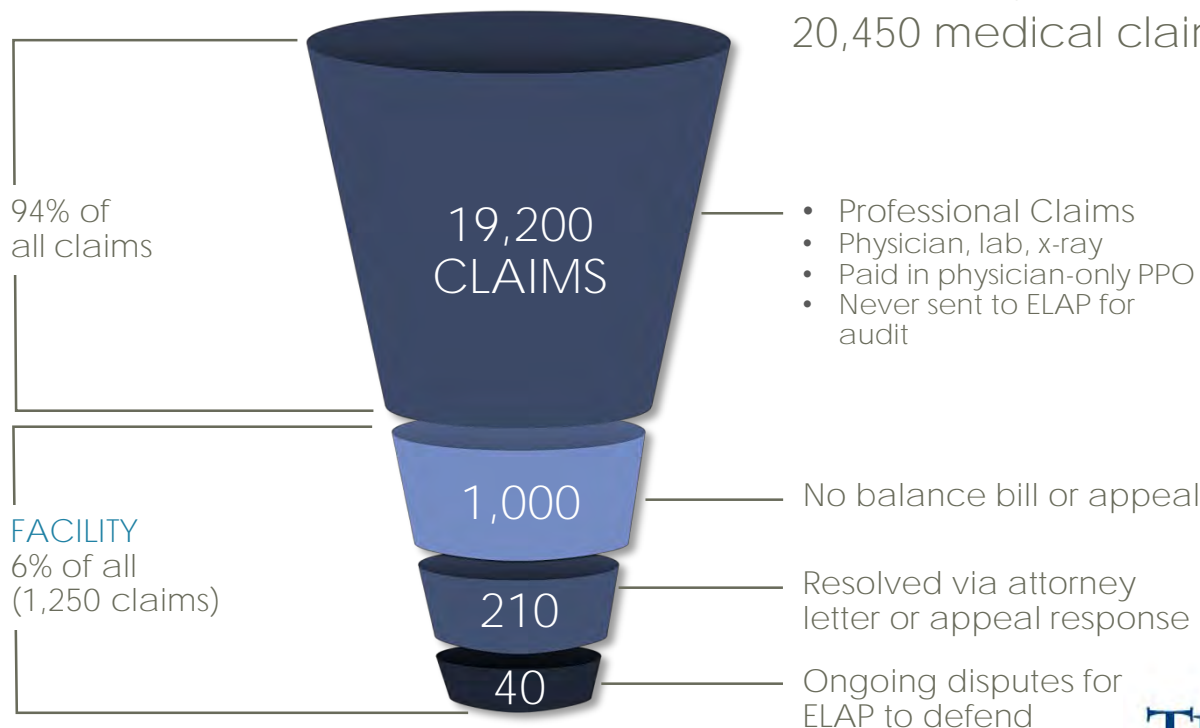
## How it Works





## Actual Case Study & Value Proposition

Plan with 1,000 covered ees =  
20,450 medical claims in plan-year



94% of all claims

FACILITY  
6% of all (1,250 claims)

- Group Savings \$1,500,000 (at \$150,000 per 100 EEs)
- 40 Disputes for ELAP attorneys to defend (4 per 100 EEs)

ELAP is responsible for cost of defending





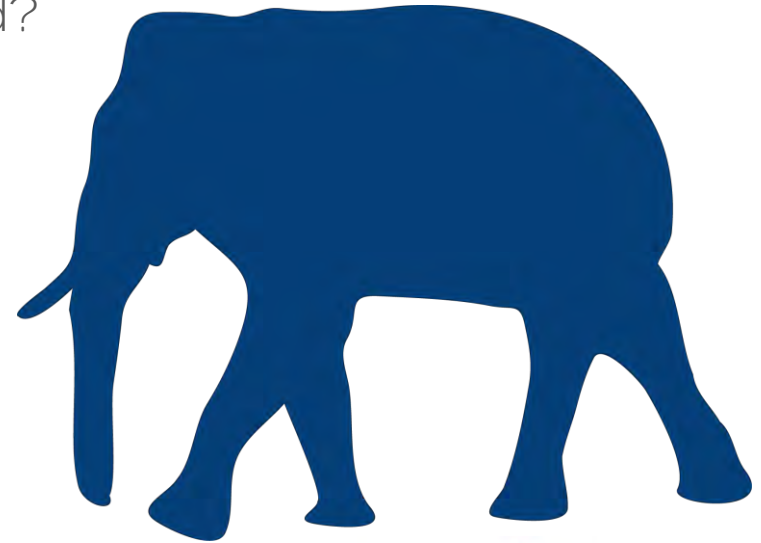
# CONCERNS



## Let's Address the Elephant in the Room

- Will my employees be denied care by facilities?
- Will my employees credit be impaired?
- Will the employees and health plan be protected?

With GPA Cost Plus<sup>®</sup>  
you won't need to worry.



# CONCERNS



## Will my employees be denied care?

2012 – March 2016		
	Outside of Dallas-Fort Worth Area	Dallas-Fort Worth Area
Audited Claims	145,408	29,211
SPC (Single Patient Contract)	353	689
% of Care Denied	0.243%	2%

*All members received the healthcare services they needed.*





## Will my employees' credit be impaired?

On average, only 2-4 members (per 100) on your plan will be contacted by a collection agency.

Being contracted by a collection agency  
DOES NOT = credit impairment



# CONCERNS



## Do you know about the laws in place to protect against unfair credit practices?

- Fair Debt Collection Practices Act – protects employees against harassment and unlawful credit impairment
- Fair Credit Reporting Act - regulates the collection, dissemination, and use of consumer information, including consumer credit information





## Will the Health Plan be Sued?

From July 2008 to April 2016, there were  
approximately 171 lawsuits filed  
With Cost Plus clients.

All Were Successfully  
Defended or Dismissed



WHY



## Success Keys

- Executive team and HR are on board with GPA Cost Plus<sup>®</sup> mission
- Employer has a reasonable communication strategy with employees
- Monthly/quarterly communication discussions with HR
- Share savings at renewal



# NEXT STEPS



## GPA Nurse Navigator Program

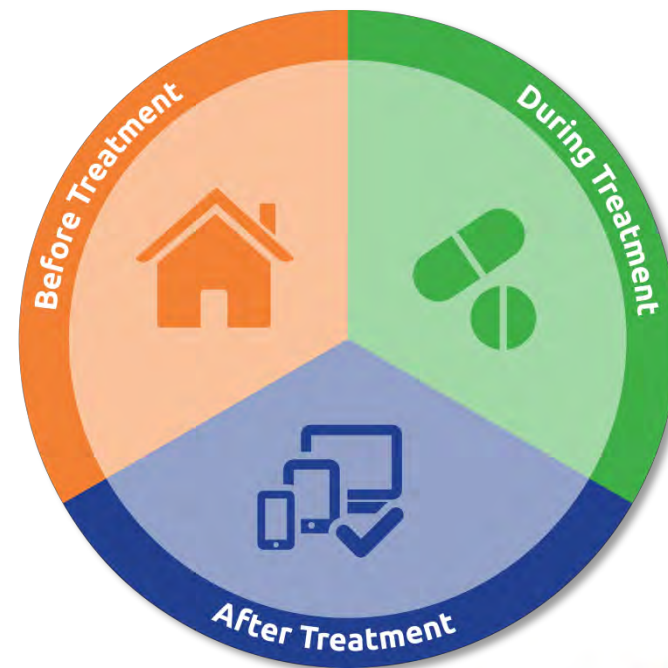


## NEXT STEPS



# GPA Cost Plus<sup>®</sup> Member Support

- Nurse Navigator
- Benefit Advocate
- Technology Support





## NEXT STEPS



# GPA Cost Plus<sup>®</sup> Member Support

At GPA, we are qualified to assist with ELAP support, in the following areas:

- Customer Service Department
- Nurse Navigator
  - Locate efficient, cost-effective physician and facility providers
  - Schedule appointments
- Member Advocates
  - Proactive member outreach
  - No financial surprises



## NEXT STEPS



## HR Corporate Support

- Electronic outreach campaigns to members
- Text messaging capabilities for facility claims
- Print communications
- Customer service
- Account management
- IT support
- HealthWatch
- Reporting
- Compliance





# NEXT STEPS

## Member Support



When a member receives a balance bill, how do they resolve

John will log into the GPA Mobile app on his mobile device, click on "I have received a collection notice" or "I have received a balance bill" and take appropriate action. Without having received a balance bill, take appropriate action. John can now track and view his response from ELAP and the progress of the claim anytime, anywhere through the secure messaging feature which goes directly to ELAP.



## NEXT STEPS

# Member Portal & Mobile App

Catalogue of resources available via the GPA member portal and mobile app, including:

- Integrated messaging directly with ELAP
- Ability to track message responses and check claims status
- Balance bill support videos
- Helpful facts for balance bills
- Balance bill forms and reminders





SMALL ENOUGH TO CARE,  
LARGE ENOUGH TO DELIVER



## About Us

- Founded in 1968
- Corporate office in Dallas, TX with locations throughout the US.
- Customers across all 50 states
- Stable Leadership and less than 4% annual employee turnover
- Providing a complete turnkey approach to your health plan





# The Corporate Experience

Others pride themselves on high auto-adjudication rates...  
At GPA we pride ourselves on accuracy, high touch service  
and managing your health plan's bottom line.





# WHY WE'RE DIFFERENT







# The Corporate Experience - Claims

- Auto-Adjudication Limit of \$1,000
- Monthly External Audits
- Optimization of In and Out-of-Network Claims Savings
- Sophisticated Claim Edit Technology
- Client determines claims inquiry threshold





# Claims Controls

Level I  
Processor:  
\$2,000

Level II  
Processor:  
\$5,000

Level III  
Processor:  
\$10,000

Level IV  
Processor:  
\$25,000

Supervisor:  
\$75,000

Claims Manager:  
\$100,000

COO:  
\$100,000  
(All claims over \$100k)





## The Results

- Accuracy of Claims and Financial Payments Exceed Industry Standards
- 17% Auto-Adjudication Rate
- Claims Processing Averages 6-8 days
- Savings of 5-7% Over Automated Models





# Member Services – Customer Service

Group and Pension Administrator's Member Services Team recognizes and embraces its important role: which is nothing less than to help people in need.

Every contact is about human interaction and is driven by our goal to provide genuine assistance rather than controlling the duration of calls.





# Member Services – Customer Service

- Immediate attention – Member calls fronted by live receptionists
- Consistent performance :
  - Average time for CSR to answer member calls: 27 seconds
  - Abandonment rate: 1.3%
- GPA approach to CSR performance enhances member experience:
  - Callers are never rushed
  - CSRs empowered to go the extra mile: no call counting/required durations
- CSRs are responsible for only what they directly control:
  - Quality of calls
  - Availability to take calls
- Accountability – real-time queue performance viewed by senior leadership

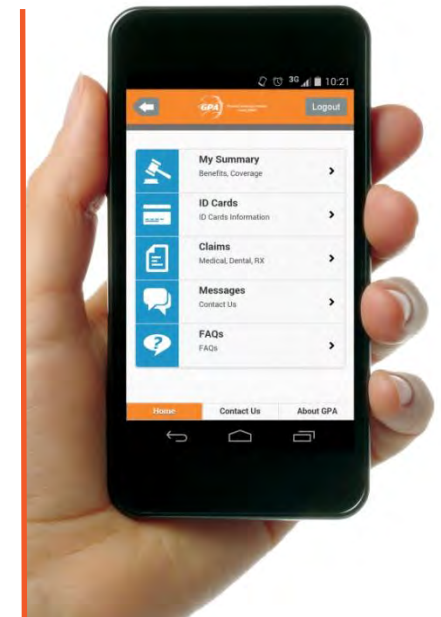




# GPA Mobile App

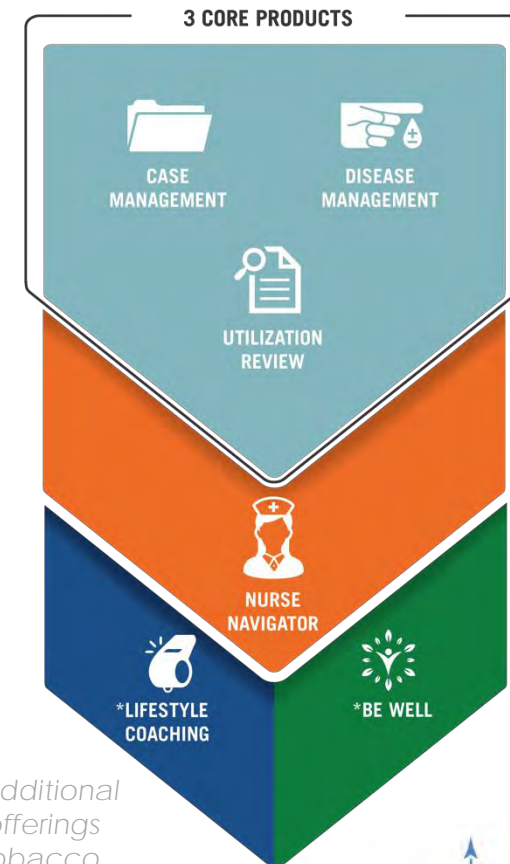
Whenever And Wherever You Are

- Instant Healthcare on Demand Mobile Application
  - Member Summary with Benefits/Coverage
  - Find a Provider Using Network and Location Services
  - Secure Service Request Messaging
  - View ID Cards and Email ID Cards to Providers
  - View Account Balances Including FSA, HSA, HRA
  - Available on the Google Play Store or the Apple App store
- Simply search **“Group Pension Mobile”**



# The Healthwatch Team

- 1/3 of staff at GPA is dedicated to HealthWatch
- Staff is specialized in their fields of expertise
- Staff compromised of:
  - Certified Health Educators
  - Registered Dietitians
  - Registered Nurses
  - Certified Diabetes Educator
  - Respiratory Therapists
  - Licensed Counselors
  - Physicians
  - Physician Assistants
  - Transplant Specialists
  - Exercise Physiologists
  - Oncology Case Managers
  - And more!



*\*Includes additional product offerings such as Tobacco Cessation, Healthy Me & More, and Commit to Be Fit.*

# Helping Members Navigate Care

